

U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT BUREAU FOR DEMOCRACY, CONFLICT, AND HUMANITARIAN ASSISTANCE (DCHA) OFFICE OF U.S. FOREIGN DISASTER ASSISTANCE (OFDA)

SOUTHERN AFRICA - Complex Food Security Crisis

Situation Report #7, Fiscal Year (FY) 2003

January 3, 2003

Note: the last situation report was dated December 20, 2002.

BACKGROUND

A number of Southern African countries are currently experiencing food security crises, due to a combination of adverse climate conditions for two consecutive growing seasons, mismanagement of grain reserves, and restrictive government policies that severely inhibit private sector commerce. During the past production season, unusually dry conditions extended across much of the region, from southern Zambia eastward to southern Mozambique, resulting in crop failures and limited production in many areas. Normally, food stocks carried over from the previous year and the intra-regional trade of surplus commodities help to offset production shortfalls. This year, however, regional stocks are exceptionally low, as they were drawn down to fill the previous year's food shortages, and surplus commodities within the region are limited. Zimbabwe is facing a serious humanitarian crisis, with nearly half the population at risk. Humanitarian food crises also exist in Malawi and Zambia. Poor and vulnerable households in Swaziland and Lesotho and some parts of Mozambique also require food assistance. Since February 2002, the governments of several countries have declared national disasters due to actual and anticipated food shortages, including Malawi, Lesotho, Zimbabwe, and Zambia. In July, the United Nations (U.N.) issued a regional Consolidated Interagency Appeal (CAP) to meet the food and non-food emergency humanitarian needs in Southern Africa. The U.N. appealed for \$611 million from donors, including \$507 million for food assistance through the U.N. World Food Program's (WFP) Emergency Operation (EMOP). From the beginning of 2002 to present, in response to the food security crisis, the U.S. Government (USG) has provided or pledged more than \$278 million in humanitarian assistance through the U.S. Agency for International Development's (USAID) Office of Food for Peace (USAID/FFP) and the Office of U.S. Foreign Disaster Assistance (USAID/OFDA), and the U.S. Department of Agriculture (USDA). The majority of the USG humanitarian assistance has been emergency food relief provided by USAID/FFP.

NUMBERS AT A GLANCE - POPULATIONS IN NEED: SEPTEMBER 1, 2002 TO MARCH 31, 2003

Country	Maximum Number of Population in Need ¹	Maximum Percentage of Total (Country/Region) Population in Need ¹
Zimbabwe	6,700,000	49%
Malawi	3,300,000	29%
Zambia	2,900,000	26%
Lesotho	650,000	30%
Mozambique	590,000	3%
Swaziland	270,000	24%
Total	14,400,000	25%

¹Anticipated populations and food assistance needs are based on SADC FANR assessments released on September 16, 2002. (Numbers are rounded.)

CURRENT SITUATION

Latest Shipment of U.S. Food Assistance to the Region. To date, the USG has delivered over 400,000 MT of food assistance to the region. The balance of approximately 100,000 MT will arrive in the region by the end of February. The Magna Energy, with 15,000 MT of bulk sorghum, recently arrived in Dar es Salaam. WFP will

receive 5,000 MT of this cargo. The remaining 10,000 MT will be given to the NGO consortium, C-SAFE. The entire tonnage has been allocated for Zambia.

Update on the WFP Emergency Operation (EMOP). WFP has sourced approximately 71 percent of its EMOP, with approximately 45 percent of those resources coming

from the USG. USG assistance represented approximately 45 percent of the total humanitarian requirements for 2002.

Status of Biotech-Derived Food Assistance. The Government of the Republic of Zambia (GRZ) has maintained its policy of not accepting biotech-derived food assistance, even if milled. Mozambique and Malawi have expressed concerns over the environmental effects of biotech food, but are accepting such food assistance as long as it is milled before distribution. However, the Government of Malawi (GOM) has publicly stated its intention not to disrupt the distribution of humanitarian corn if milling is not possible. Swaziland and Lesotho have continued to accept all emergency food assistance of biotech origin, but Lesotho requires milling.

The Government of Zimbabwe (GOZ) had agreed to accept U.S.-donated corn under the condition that all whole kernel grain be milled prior to entering the country to prevent it from being planted. However, the GOZ has recently shown some leniency by allowing WFP to mill an additional 17,500 MT of USG maize in-country and approving the use of additional mills in Gweru and Harare. Nevertheless, logistical difficulties associated with the milling operation have significantly affected food distributions.

SADC FANR National Vulnerability Assessments. The Southern Africa Development Community's Food, Agriculture and Natural Resources Development Unit (SADC FANR) Vulnerability Assessment Committees (VAC) concluded the second round of rolling assessments in each of the six countries covered by WFP's EMOP in December. Although the Zimbabwe VAC report was issued on December 20, the other five have not yet been released.

Following the "Pre-Season Assessment Forum" held in Lesotho from December 10 to December 12, SADC FANR warned of a possible famine in Southern Africa. The assessment concluded that as current emergency conditions are worsening in the region, national food shortfalls, as well as malnutrition and child mortality, are likely to increase. The 2002-2003 agricultural season has already been disrupted, and the outlook for rainfall and water resources for the rest of the season appears increasingly negative.

According to SADC FANR, the current responses to the crisis have been unable to stabilize food security due to limitations stemming from policy issues, economic conditions, and market imperfections. However, the assessment also reported that national and regional level coordination and collaboration are generating positive results, and new tools for monitoring, assessing, and response planning are being developed.

COUNTRY UPDATES

Zimbabwe. WFP announced a pilot program to feed children under the age of six in Harare beginning in January. The program, the first general food assistance program in Harare, will be implemented through Action Contre le Faim (ACF). Initially, the program will target chronically ill children and is expected to reach several thousand children during the first month.

During November 2002, WFP distributed only 19,523 MT of its planned 52,200 MT of food commodities in Zimbabwe. Because of the reduced tonnage, WFP was able to reach only half of the intended 3.0 million beneficiaries. The main reason for the shortfall is a weakened food pipeline resulting from difficulties associated with the importation of biotech maize. WFP distributed 14,309 MT between December 1 and December 27.

According to WFP, the relaxation of many GOZ restrictions limiting the import and milling of US-source maize combined with a large donation of maize by the European Union (EU) should result in a much stronger pipeline between January and March. WFP plans to distribute 53,914 MT of food in January, including 41,156 MT of maize, 4,116 MT of pulses, 2,469 MT of oil, and 6,173 MT of corn-soya blend to 4.5 million beneficiaries in January. In February, WFP plans to target 5.8 million beneficiaries.

Zimbabwe's VAC report was released on December 20. According to the findings of the assessment, food security has deteriorated throughout the country; 7.2 million people are now in need of food assistance. Zimbabwe's food deficit for December through March is estimated at 57,000 MT. However, the deficit could increase to as much as 222,000 MT if imports pledged by the GOZ fall short. The VAC warned of serious and widespread food insecurity in 2003 as a result of the unavailability of agricultural inputs and insufficient rains heralding a poor harvest for the 2002/2003 agricultural season.

On December 16, FEWS NET reported that prevailing nationwide food shortages contradict claims that imports to date are sufficient to meet at least 72 percent of the country's requirements. Food availability is declining at the sub-national level. Severe shortages of maize, sorghum and millet persist in all rural areas of Zimbabwe. Efforts by GOZ, through the Grain Marketing Board, and humanitarian agencies are providing less than 50 percent of the rural population's food requirements.

According to a November FEWS NET report, since the beginning of 2002 the cost of living for poor urban households in Harare has increased by approximately 130 percent. Continued market shortages of basic commodities combined with reduced purchasing power continue to increase prices on the parallel market, where

commodities are more than double controlled prices. Urban poverty is increasing throughout Zimbabwe as former commercial farm workers migrate to the cities and inflation, currently estimated at 144 percent, continues to rise.

Malawi. In late December, the milling of yellow maize began in Malawi in preparation for January distributions; the cost of the milling was covered by the GOM.

WFP has launched a program to repair the 32-year-old railway that links Malawi to the port of Nacala. The combination of increasing tonnage moving along the Nacala corridor and impassable roads as a result of heavy rains has made the railway vital to the delivery of humanitarian assistance to Malawi. The cost of the project is estimated at \$6.6 million, and will include repairing the 77 kilometers of track between Cuamba and the Malawi border, road rehabilitation, and new engines.

WFP has demanded an inquiry into allegations by President Bakili Muluzi that the International Monetary Fund (IMF) and the World Bank advised the GOM to sell 167,000 MT of strategic grain reserves shortly before the region was hit by drought. President Muluzi alleges that the IMF and World Bank advised the selling of grain reserves in order to repay the country's debts. Money from the sales has not been accounted for, and President Muluzi denies accusations of corruption.

Zambia. As of December 24, WFP distributed 17,500 MT of food assistance in Zambia. WFP had planned to distribute 33,000 MT in December. Of the 17,500 MT, 9,600 MT was supplied by the GRZ. On December 26, WFP reported that it had secured an additional 9,400 MT of food assistance for distribution in Zambia. According to WFP, this contribution is in additional to the 23,400 MT sourced by GRZ.

According to local media sources, the GRZ canceled contracts with two South African suppliers to import 300,000 MT of maize. The GRZ has allowed millers to import maize duty-free while it looks for new suppliers. However, on December 18 FEWS NET reported that only 13 percent of Zambia's relief food requirements until March 2003 has been delivered. The GRZ continues to give conflicting figures on what commodities it intends to import to meet relief needs and the strategic reserves.

WFP continues to move biotech food commodities from Zambia to Malawi following the GRZ's rejection of the biotech food assistance. In December, the GRZ accused WFP of distributing contaminated food. Zambian agriculture officials alleged that a shipment of food commodities was infested with an unidentified pest.

Maize prices in December averaged between \$240 and \$260 per MT, three times more than the highest recorded maize prices in 2000 and 2001. Prices are likely to continue to increase as a result of the limited prospects

for commercial imports in early 2003. However, WFP expects the pipeline for January and February to be relatively strong. WFP estimates that 79,676 MT of cereals will arrive during these two months.

Mozambique. Malnutrition continues to rise in Tete province, and, according to WFP, the price of maize in southern Mozambique has increased considerably.

Lesotho. During December, WFP distributed food assistance in seven districts. However, heavy rainfall combined with two severe hailstorms at the end of December damaged crops, adding to already increasing food prices.

Swaziland. As of December 27, WFP released 3,586 MT of food commodities to implementing partners for December distributions. WFP planned to distribute an additional 1.071 MT before the end of the month.

A USAID health assessment conducted between December 1 and December 9 concluded that the combination of drought, HIV/AIDS, regional food shortfalls, lack of access to clean water, declining migrant labor opportunities and associated remittances, and reduced coping mechanisms have led to a deterioration of the health situation. Further exacerbating these factors are Swaziland's declining economic performance and a decrease in public health funding.

USG HUMANITARIAN ASSISTANCE

From the beginning of 2002 to present, the USG has provided or pledged more than \$278 million in emergency humanitarian assistance in response to the food security crisis.

In FY 2002, USAID/OFDA provided more than \$10 million in non-food programs that are currently underway in Zimbabwe, Malawi, Zambia, and Lesotho. As part of this assistance, USAID/OFDA provided \$1 million to WFP to assist with its regional management and logistics coordination.

In FY 2003, USAID/OFDA provided \$2 million to Africare to support supplementary therapeutic feeding in Malawi (CoGuard). USAID/OFDA also provided \$250,000 to support farm surveys and supplementary feeding programs for orphans and vulnerable populations in Zimbabwe.

USAID/OFDA continues to address needs in water and sanitation, coordination, nutrition, and health, particularly preparing for outbreaks of endemic and opportunistic diseases.

In addition to emergency humanitarian efforts for the food security crisis in Southern Africa, USAID programs are designed to reduce the risk of future crises through the Agricultural Initiative to Cut Hunger in Africa. The objective of the Initiative is to promote a rapid and sustainable increase in agricultural growth and rural incomes in sub-Saharan Africa by advancing scientific and technological applications that will raise agricultural productivity, create agriculture-based enterprises, and improve the agricultural trade and market systems.

In response to the ongoing HIV/AIDS pandemic in the Southern Africa region, USAID's Africa Bureau (USAID/AFR) is supporting HIV/AIDS prevention, control, care, and support initiatives, as well as programs for HIV/AIDS orphans and vulnerable children throughout the region. USAID/AFR also supports a regional HIV/AIDS program in Southern Africa that focuses on regional cross-border activities.

USAID is also sponsoring a SADC Regional Workshop on biotech and food insecurity in Gaborone, Botswana, in February 2003. Participants will include technical experts from around the world and policymakers from the affected countries. The meeting will address the technical and policy issues related to biotech food assistance.

FY 2002-2003 U.S. GOVERNMENT HUMANITARIAN ASSISTANCE SOUTHERN AFRICA FOOD SECURITY CRISIS

Country*	USG Food Assistance FY 2002 (From USAID/FFP and USDA)
Lesotho	27,760 MT
Malawi	144,896 MT
Mozambique	19,790 MT
Swaziland	15,542 MT
Zambia	74,666 MT
Zimbabwe	216,840 MT
Total	499,494 MT

Country	USG Non-Food Assistance FY 2002 (From USAID/OFDA)	
Lesotho	\$270,000	
Malawi	\$4,640,990	
Zambia	\$1,538,560	
Zimbabwe	\$2,925,661	
Regional Support	\$1,000,000	
Total	\$10,375,211	

	USG Non-Food Assistance FY 2003 (From USAID/OFDA)	
Malawi	\$2,000,000	
Zimbabwe	\$250,000	
Total	\$2,250,000	

SUMMARY OF FY 2002 – FY 2003 USG HUMANITARIAN ASSISTANCE		
USAID/Office of U.S. Foreign Disaster Assistance (OFDA)	\$12,625,211	
USAID/Office of Food For Peace (FFP)*	\$252,609,551	
USAID Total	\$265,234,762	
U.S. Department of Agriculture (USDA) Total	\$13,294,788	
TOTAL USG HUMANITARIAN ASSISTANCE	\$278,529,550	

^{*} Note: USAID/FFP value is an estimate. Commodities may have been reallocated to meet changing needs.

De Juliant

Bernd McConnell

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 $[*]USAID/OFDA\ bulletins\ can\ be\ obtained\ from\ the\ USAID\ web\ site\ at\ http://www.usaid.gov/hum_response/ofda.$